Financial Statements of

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

And Independent Auditor’s Report thereon

Year ended March 31, 2026

KPMG LLP
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Children's Aid Society of the District of Nipissing and Parry Sound

Opinion

We have audited the financial statements of Children's Aid Society of the District of Nipissing and Parry Sound (the Society), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of operations and changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2026, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(a) in the financial statements, which indicates that the Society has a net asset deficiency and a working capital deficiency at March 31, 2026. As stated in Note 1(a) in the financial statements, these events or conditions, along with other matters as set forth in Note 1(a) in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Society's ability to continue as a going concern.

As stated in Note 1(a) in the financial statements, these events or conditions, along with other matters as set forth in Note 1(a) in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Society's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

North Bay, Canada

June 26, 2026

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Statement of Financial Position

March 31, 2026, with comparative information for 2025

		2026		2025
Assets				
Current assets:				
Cash	$	-	$	85,570
Accounts receivable (note 2)		379,314		510,214
Prepaid expenses and other		98,369		91,928
		477,683		687,712
Capital assets (note 3)		7,819,497		8,174,796
	$	8,297,180	$	8,862,508
Liabilities, Deferred Contributions and Net Assets (Deficiency)				
Current liabilities:				
Bank indebtedness (note 4)	$	2,000,000	$	1,580,000
Bank overdraft		80,757		-
Accounts payable and accrued liabilities (note 5)		2,687,726		2,748,298
Due to Trust fund		44,358		44,107
Payable to Ministry of Children, Community and Social Services		61,237		61,237
Current portion of long-term debt (note 6)		27,578		806,605
		4,901,656		5,240,247
Deferred contributions (note 7)				
Expenses of future periods		966,702		570,783
Capital assets		6,651,685		7,006,984
		12,520,043		12,818,014
Long-term debt (note 6)		754,767		-
		13,274,810		12,818,014
Net assets (deficiency):				
Unrestricted:				
Operating		(4,054,268)		(3,170,757)
Employment-related		(1,359,167)		(1,196,294)
Internally restricted (note 9)		49,829		49,829
Capital (note 8)		385,976		361,716
		(4,977,630)		(3,955,506)
Going concern (note 1(a))				
Contingency (note 11)				
	$	8,297,180	$	8,862,508

See accompanying notes to financial statements.

On behalf of the Board:

_______________________________ Director

Kim Kanmacher

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Statement of Operations and Changes in Net Assets (Deficiency)

Year ended March 31, 2026, with comparative information for 2025

		Unrestricted			Investment in			
		Operating	Employment Related	Internally Restricted	capital assets		Total 2026	Total 2025
		(Schedules)						
Revenue:								
Ministry of Children, Community and Social Services (note 10)	$	18,190,044	-	-	-	$	18,190,044	$ 20,075,351
Special allowances		579,173	-	-	-		579,173	552,182
Other grants		436,350	-	-	-		436,350	496,026
Amortization of deferred capital contributions		-	-	-	461,805		461,805	457,294
MCCSS-One-time emegency funding		795,795	-	-	-		795,795	-
Other		454,381	-	-	-		454,381	1,066,360
Public Health Agency of Canada		349,720	-	-	-		349,720	357,142
Other Children's Aid Societies		92,815	-	-	-		92,815	131,792
Rent		16,442	-	-	-		16,442	16,395
		20,914,720	-	-	461,805		21,376,525	23,152,542
Expenses:								
Salaries, wages and benefits		15,165,459	-	-	-		15,165,459	16,288,429
Boarding rate payments		5,084,894	-	-	-		5,084,894	4,757,708
Professional services		475,750	-	-	-		475,750	707,756
Target adoption subsidies		569,598	-	-	-		569,598	562,115
Client's personal needs		1,004,858	-	-	-		1,004,858	1,220,000
Travel		587,099	-	-	-		587,099	520,939
Amortization of capital assets		-	-	-	461,805		461,805	457,294
Technology		417,794	-	-	-		417,794	427,501
Insurance		268,493	-	-	-		268,493	410,225
Repairs and maintenance		212,818	-	-	-		212,818	172,177
Building occupancy		113,478	-	-	-		113,478	122,095
Utilities and telephone		213,378	-	-	-		213,378	199,727
Health and related costs		181,119	-	-	-		181,119	171,520
Office administration		43,719	-	-	-		43,719	119,383
Admission prevention		72,601	-	-	-		72,601	90,531
Membership fees		76,304	-	-	-		76,304	69,824
Training and recruitment		24,884	-	-	-		24,884	65,787
Recreation		29,163	-	-	-		29,163	54,060
Miscellaneous		20,794	-	-	-		20,794	34,919
Purchased services and supplies		83	-	-	-		83	32,247
Facility renewal (recovery)		-	-	-	-		-	25,435
Promotion and publicity		11,176	-	-	-		11,176	7,999
Program expenses		10,502	-	-	-		10,502	-
Education		20,230	-	-	-		20,230	3,779
Employment related (recovery)		-	162,873	-	-		162,873	(2,771)
		24,604,194	162,873	-	461,805		25,228,872	26,518,679
Deficiency of revenue over expenses before the undernoted items		(3,689,474)	(162,873)	-	-		(3,852,347)	(3,366,137)
One-time Ministry accumulated surplus funding		2,830,223	-	-	-		2,830,223	2,339,767
Gain on sale of capital assets		-	-	-	-		-	510
Subsidy funding returned to Ministry		-	-	-	-		-	(21,011)
Repayments of long term debt		(24,260)	-	-	24,260		-	-
(Deficiency) excess of revenue over expenses		(883,511)	(162,873)	-	24,260		(1,022,124)	(1,046,871)
Net assets (deficiency), beginning of year		(3,170,757)	(1,196,294)	49,829	361,716		(3,955,506)	(2,908,635)
Net assets (deficiency), end of year	$	(4,054,268)	(1,359,167)	49,829	385,976	$	(4,977,630)	$ (3,955,506)

See accompanying notes to financial statements.

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Statement of Cash Flows

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Cash flows from operating activities:		
(Deficiency) excess of revenue over expenses	$ (1,022,124)	$ (1,046,871)
Adjustments for:		
Amortization of capital assets	461,805	457,294
Amortization of deferred capital contributions	(461,805)	(457,294)
Gain on sale of capital assets	-	(510)
	(1,022,124)	(1,047,381)
Change in non-cash working capital:		
Accounts receivable	130,900	1,964,809
Prepaid expenses and other	(6,441)	6,257
Payable to Ministry of Children, Community and Social Services	-	(3,995)
Trust payable	251	25,143
Accounts payable and accrued liabilities	(60,572)	(1,078,194)
	(957,986)	(133,361)
Cash flows from financing activities:		
Principal repayments of long term debt	(24,260)	(28,341)
Cash flows from capital activities:		
Capital contributions	106,506	368,054
Deferred contributions, net of proceeds of disposition	395,919	(170,035)
Purchase of capital assets, net of proceeds of disposition	(106,506)	(367,545)
	395,919	(169,526)
Net decrease in cash	(586,327)	(331,228)
Bank indebtedness, beginning of year	(1,494,430)	(1,163,202)
Bank indebtedness, end of year	$ (2,080,757)	$ (1,494,430)
Bank indebtedness consists of:		
(Overdraft) cash	$ (80,757)	$ 85,570
Bank indebtedness	(2,000,000)	(1,580,000)
	$ (2,080,757)	$ (1,494,430)

See accompanying notes to financial statements.

The Children's Aid Society of the District of Nipissing and Parry Sound (the "Society") is incorporated without share capital under the laws of Ontario to discharge the functions of a Children's Aid Society under the Child and Family Services Act – 1984. The Society received its Letters Patent of Amalgamation on November 18, 1999. The Society is exempt from income taxes under the Income Tax Act.

1. Significant accounting policies:

(a) Going concern:

These financial statements have been prepared on a going concern basis in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations. The going concern basis of presentation assumes that the Society will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of operations. There is significant doubt about the appropriateness of the use of the going concern assumption because the Society has a net asset deficiency and working capital deficiency at March 31, 2026 as well as ongoing legal matters and litigation claiming over $26,350,000. The outcome of the cases are not presently determinable.

The ability of the Society to continue as a going concern and realize its assets and discharge its liabilities in the normal course of operations is dependent upon the continued support of the Ministry of Children, Community and Social Services and on its ability to restore and maintain sustainable operations in the future. No assurance can be given that additional funding will be available in the future from the Ministry of Children, Community and Social Services or other sources or that, if available, it can be obtained on terms favorable to the Society.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for these financial statements, then adjustments would be necessary to the carrying value of assets, the reported revenues and expenses, and the statement of financial position classifications used.

(b) Basis of accounting:

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

(c) Revenue recognition:

The Society follows the deferral method of accounting for contributions which include government grants.

Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of fiscal period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

1. Significant accounting policies (continued):

(c) Revenue recognition (continued):

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

Revenue from rentals is recognized when earned.

(d) Employee future benefits:

Defined contribution plan accounting is applied to a multi-employer defined benefit plan for which the Society has insufficient information to apply defined benefit plan accounting.

(e) Financial instruments:

All financial instruments are initially recorded on the statement of financial position at fair value.

All investments held in equity instruments that trade in an active market would be recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis.

Unrealized changes in fair value would be recognized in the statement of remeasurement gains and losses until they are realized, when they would be transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

Financial instruments are classified into fair value hierarchy Levels 1, 2 or 3 for the purposes of describing the basis of the inputs used to determine the fair market value of those amounts recorded at fair value, as described below:

Level 1	Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	Fair value measurements are those derived market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly
Level 3	Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

1. Significant accounting policies (continued):

(f) Capital assets:

Capital asset purchases are recorded at cost. Capital assets donated are recorded at their fair market value at the date of acquisition. When a capital asset no longer contributes to the Society's ability to provide services, it is written down to its residual value. Any unamortized deferred capital contribution amount related to the capital asset is recognized in revenue in the Statement of Operations, provided that all restrictions have been complied with. Amortization is provided on the straight-line basis over their estimated useful lives, from the time the assets are put in use, at the following range of annual rates:

	Rate
Buildings	2% – 4%
Land improvements	5% – 10%
Vehicles	20%
Computers	33%
Furniture and equipment	10% – 20%

Long-lived assets, including capital assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. When quoted market prices are not available, the Society uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value.

Assets to be disposed of would be separately presented in the statement of financial position and reported at the lower of the carrying amount or fair value less costs to sell and are no longer amortized. The asset and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the statement of financial position.

(g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying amounts of capital assets; provisions for impairment of trade accounts receivable and accounts payable and accrued liabilities. Actual results could differ from those estimates. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in the statement of operations in the year in which they become known.

1. Significant accounting policies (continued):

(h) Asset retirement obligations:

The Society recognizes the fair value of an Asset Retirement Obligation ("ARO") when all of the following criteria have been met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

A liability for the removal of certain Society facilities has been recognized based on estimated future expenses. Actual remediation costs incurred are charged against the ARO to the extent of the liability recorded. Differences between the actual remediation costs incurred and the associated liability recorded within the financial statements is recognized in the Statement of Operations at the time of remediation occurs.

2. Accounts receivable:

	2026	2025
Trade receivables	$ 243,202	$ 307,374
Harmonized sales tax recoverable	136,112	202,840
	$ 379,314	$ 510,214

3. Capital assets:

2026	Cost	Accumulated amortization	Net book Value
Land	$ 1,094,286	$ -	$ 1,094,286
Land improvements	313,293	106,978	206,315
Buildings	11,820,607	5,577,520	6,243,087
Vehicles	421,117	391,901	29,216
Computer	1,359,846	1,238,907	120,939
Furniture and equipment	590,434	487,280	103,154
Leasehold improvements	25,000	2,500	22,500
	$ 15,624,583	$ 7,805,086	$ 7,819,497

2025	Cost	Accumulated amortization	Net book Value
Land	$ 1,094,286	-	1,094,286
Land improvements	313,293	86,317	226,976
Buildings	11,820,607	5,257,425	6,563,182
Vehicles	421,117	376,219	44,898
Computer	1,253,340	1,167,595	85,745
Furniture and equipment	590,434	454,225	136,209
Leasehold improvements	25,000	1,500	23,500
	$ 15,518,077	$ 7,343,281	$ 8,174,796

4. Bank indebtedness:

The Society has available a line of credit of $2,500,000 secured by a general security agreement bearing interest at the bank's prime rate less 0.5% (2025 - 0.25%), renewable annually. At March 31, 2026, $2,000,000 (2025 - $1,580,000) is outstanding on this facility.

As a condition of its credit facilities, the Society must maintain certain restrictive covenants. As at March 31, 2026, the Society was in compliance with all restrictive covenants.

5. Accounts payable and accrued liabilities:

	2026	2025
Trade payables	$ 1,231,430	$ 1,119,128
Government remittances	3,513	3,684
Payroll payable	93,616	429,192
Vacation and health spending payable	1,359,167	1,196,294
	$ 2,687,726	$ 2,748,298

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Notes to Financial Statements

Year ended March 31, 2026

6. Long term debt:

		2026		2025
TD Canada Trust loan bearing interest at 4.09%, repaying in blended monthly payments of $2,254, secured by a general security agreement, land and building located at 140 Elmwood Avenue, North Bay and an assignment of fire insurance. Due January, 2028.	$	337,484	$	351,948
TD Canada Trust mortgage bearing interest at 5.29%, repaying in bleded monthly payments of $2,783, secured by a general security agreement, land and building located at 140 Elmwood Avenue, North Bay and an assignment of fire insurance. Due January, 2028.		444,861		454,657
		782,345		806,605
Less current portion due within one year		27,578		806,605
	$	754,767	$	-

Principal repayments over the next two years are due as follows:

2027	$	27,578
2028		754,767
	$	782,345

As a condition of its credit facilities, the Society must maintain certain restrictive covenants. As at March 31, 2026, the Society was in compliance with all restrictive covenants.

7. Deferred contributions:

(a) Expenses of future periods:

Deferred contributions related to expenses of future periods represent unspent externally restricted donations and grants.

	2026	2025
Balance, beginning of year	$ 570,783	$ 740,818
Add: amounts received for the following year	578,499	270,434
Less: amount recognized as revenue in the year	(182,580)	(440,469)
Balance, end of year	$ 966,702	570,783

The deferred contributions balance is allocated to the following programs:

	2026	2025
Elmwood Community Donations	$ 311,323	$ 41,583
Child Welfare Funds to be Invested for RESPs	125,320	215,103
Operating Grant	113,214	
OCBE Savings	158,770	144,121
Kids in Care Achieving Success/Beauchamp Hub	78,984	78,984
OCBE Activities	82,471	35,875
VYSA Savings in Lieu of RESP	29,760	-
OAP Held in Trust	18,800	-
General donations	13,138	-
Christmas donation	9,975	6,338
Kinship Families Donations	7,806	19,557
NB Hospital	-	9,924
Big Steps to Success	6,951	9,108
Canada Post	6,085	6,085
Youth Enrichment	2,756	2,756
Wendy's Wonderful Kids	771	771
Parry Sound Camp Fund	578	578
Balance, end of year	$ 966,702	$ 570,783

7. Deferred contributions (continued):

(b) Deferred contributions related to capital assets represent the unamortized and unspent balances of donations and grants received for capital asset acquisitions. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2026	2025
Balance, beginning of year	$ 7,006,984	$ 7,096,224
Add: amounts received for the following year	106,506	368,054
Less: amount recognized as revenue in the year	(461,805)	(457,294)
Balance, end of year	$ 6,651,685	$ 7,006,984

There are no unspent balances during the year (2025 - $Nil).

8. Investment in capital assets:

Details of the investment in capital assets are as follows:

	2026	2025
Capital assets	$ 7,819,497	$ 8,174,796
Amounts financed by:		
Deferred contributions - capital assets - unamortized	(6,651,177)	(7,006,475)
Mortgage payable	(782,345)	(806,605)
	$ 385,975	$ 361,716

9. Restrictions on net assets:

The Board of Directors has restricted net assets as follows:

	2026	2025
Betty Ralph Trust	$ 21,406	$ 21,406
Ronald Lees Trust	28,423	28,423
	$ 49,829	$ 49,829

10. Ministry of Children, Community and Social Services Funding:

	2026	2025
Funding:		
Operating	$ 18,238,331	$ 20,215,237
OCBE	58,219	79,149
Less: amounts received for capital assets	(106,506)	(219,035)
	$ 18,190,044	$ 20,075,351

11. Contingency:

The Society is involved in certain legal matters and litigation claiming $26,350,000. The outcome of the cases are not presently determinable. The loss, if any, from these contingencies will be accounted for in the period in which the matters are resolved or can be reasonably estimated.

12. Trust accounts:

The following accounts, held in trust, are not funds of the Society's and are not included on the statement of financial position.

	2026	2025
Assets:		
RESP trust deposits	$ 2,226,618	$ 2,043,717
Liabilities:		
RESP trust deposits	$ 2,226,618	$ 2,403,717

13. Multi-employer pension plan:

The Society makes contributions to Ontario Municipal Employees' Retirement System ("OMERS"), which is a multi-employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the "Plan") by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2025. The results of this valuation disclosed total going concern actuarial liabilities of $151,365 million (2024 - $142,489 million) in respect of benefits accrued for service with total going concern actuarial assets at that date of $150,043million (2024 - $139,576 million) indicating a going concern actuarial deficit of $1,322 million (2025 - $2,913 million).

The amount contributed to OMERS was $1,202,569 (2025 - $1,137,633) for current service and is included as an expense in the statement of operations and net assets.

14. Financial risks:

a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society is exposed to credit risk with respect to accounts receivable. The Society assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Society at March 31, 2026 is the carrying value of these assets. There have been no significant changes to the risk exposure from 2025.

b) Liquidity risk:

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society managers its liquidity risk by monitoring its operating requirements. The Society prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no significant changes to the risk exposures from 2025.

c) Interest risk:

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Society is exposed to this risk through its bank line of credit and term debt. There have been no significant changes to the risk exposure from 2025.

15. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses

Ministry of Children, Community and Social Services - Child Welfare - Child Protective Services

(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Provincial grants - Operating	$ 17,326,459	$ 21,043,667
Other grants	-	7,023
Other	406,966	257,254
Special allowances	579,173	552,182
Other Children's Aid Societies	92,815	131,792
Rental	16,442	16,395
	18,421,855	22,008,313
Expenses:		
Salaries and wages	9,884,783	10,704,196
Benefits	3,356,003	3,319,213
Travel	547,878	480,509
Training and recruitment	12,972	56,146
Boarding rate payments:		
Foster care boarding home fees	1,633,288	1,827,036
Outside paid foster care	1,125,905	1,573,136
Outside paid institution fees	2,142,151	1,269,696
Other care	88,239	86,640
Adoption probation	-	1,200
Purchased services:		
Non-client	83	322
Professional services:		
Non-client	221,397	242,190
Client	71,401	97,662
Client legal	120,152	100,077
Client's personal needs	932,503	1,165,724
Technology	377,279	360,629
Building occupancy	89,321	122,065
Health and related costs	181,119	171,507
Office administration	43,465	112,629
Miscellaneous	6,737	25,557
Membership fees	75,904	69,824
Target Adoption Subsidies	569,598	561,080
Utilities and telephone	184,706	177,668
Facility recovery	-	(230,149)
Repairs and maintenance	171,397	147,184
Promotion and publicity	6,866	7,999
Admission prevention	72,601	90,531
Insurance	262,784	410,225
	22,178,532	22,950,496
Deficiency of revenue over expenses before the undernoted	(3,756,677)	(942,183)
Allocation of central administration	158,785	144,713
Transfers to programs	-	(40,686)
Transfers to deferred capital contributions	(106,506)	(219,036)
Deficiency of revenue over expenses	$ (3,704,398)	$ (1,057,192)

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses

Ministry of Children, Community and Social Services - Ontario Child Benefit Equivalent Fund (OCBE)

(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

		2026		2025
Revenue:				
Provincial grants - Ontario Child Benefit Equivalent	$	58,219	$	79,149
Expenses:				
Travel		483		-
Client's personal needs		16,266		18,654
Health and related costs		-		13
Recreation		28,620		54,060
Target Adoption Subsidies		-		1,035
Education		12,850		3,779
		58,219		77,541
Excess of revenue over expenses	$	-	$	1,608

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses

Ministry of Children, Community and Social Services - Child and Family Intervention

(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Provincial grants - Operating	$ 260,281	$ 260,281
Expenses:		
Salaries and wages	153,364	13,131
Benefits	29,735	2,783
Travel	1,952	-
Professional services:		-
Client	-	217,702
Client's personal needs	168	-
Technology	20,000	-
Building occupancy	3,680	-
Utilities and telephone	11,143	-
Repairs and maintenance	5,178	-
Program expense	6,852	-
Insurance	5,709	-
	237,781	233,616
Excess (deficiency) of revenue over expenses before the undernoted	22,500	26,665
Allocation of central administration	(22,500)	(26,665)
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Ministry of Children, Community and Social Services - Community Capacity Building
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Provincial grants - Operating	$ 39,668	$ 39,668
Expenses:		
Salaries and wages	23,768	34,446
Benefits	4,700	5,222
Travel	273	-
Technology	6,762	-
	35,503	39,668
Excess (deficiency) of revenue over expenses before the undernoted	4,165	-
Repayment of long term debt	-	-
Allocation of central administration	(4,165)	-
Transfers (to) from programs	-	-
Transfers to deferred capital contributions	-	-
Subsidy funding return to Ministry	-	-
Excess (deficiency) of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses

Ministry of Children, Community and Social Services - Community Support Team

(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Provincial grants - Operating	$ 540,584	$ 540,584
Expenses:		
Salaries and wages	345,314	317,690
Benefits	87,506	72,727
Travel	13,634	16,369
Training and recruitment	11,312	3,646
Client's personal needs	490	269
Technology	3,509	59,325
Building occupancy	7,053	30
Office administration	174	1,033
Utilities and telephone	6,108	13,000
Repairs and maintenance	9,922	933
	485,022	485,022
Excess of revenue over expenses before the undernoted	55,562	55,562
Allocation of central administration	(55,562)	(55,562)
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Ministry of Children, Community and Social Services - Education Liaison
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

		2026		2025
Revenue:				
Provincial grants - Operating	$	317,411	$	96,396
Expenses:				
Salaries and wages		160,062		71,797
Benefits		32,951		15,017
Training and recruitment		-		419
Boarding rate payments:				
Foster care boarding home fees		95,311		-
Building occupancy		1,533		-
Utilities and telephone		1,310		-
Repairs and maintenance		2,157		-
		293,324		87,233
Excess of revenue over expenses before the undernoted		24,087		9,163
Allocation of central administration		(9,163)		(9,163)
Excess of revenue over expenses	$	14,924	$	-

THE CHILDREN'S AID SOCIETY OF THE
DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Ministry of Children, Community and Social Services - Infant Development
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Provincial grants - Operating	$ 543,018	$ 464,209
Expenses:		
Salaries and wages	311,448	267,607
Benefits	98,923	94,049
Travel	5,121	4,665
Professional services:		
Non-client	50,000	50,000
Client's personal needs expense (recovery)	(440)	165
Building occupancy	9,213	-
Miscellaneous	-	200
Membership fees	400	-
Utilities and telephone	7,868	-
Repairs and maintenance	12,962	-
	495,495	416,686
Excessof revenue over expenses before the undernoted	47,523	47,523
Allocation of central administration	(47,523)	(47,523)
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Public Health Agency of Canada - Community Action Program for Children
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Public Heath Agency of Canada	$ 278,900	$ 281,271
Others	1,986	-
	280,886	281,271
Expenses:		
Salaries and wages	193,672	180,369
Benefits	69,107	70,772
Travel	5,284	5,317
Professional services:		
Non-client	12,800	-
Purchased services:		
Client	-	2,370
Non-client	-	16,296
Supplies	-	93
Technology	-	1,895
Office administration	-	1,176
Client personal needs	23	-
Miscellaneous	-	997
	280,886	279,285
Excess of revenue over expenses before the undernoted	-	1,986
Subsidy funding return	-	(1,986)
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Public Health Agency of Canada - Canada Pre Natal Program
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Public Heath Agency of Canada	$ 70,820	$ 75,871
Others	7,535	-
	78,355	75,871
Expenses:		
Salaries and wages	51,484	43,773
Benefits	12,590	14,275
Travel	2,000	869
Purchased services:		
Non-client	-	729
Technology	-	839
Client personal needs	12,281	6,130
Miscellaneous	-	1,720
	78,355	68,335
Excess of revenue over expenses before the undernoted	-	7,536
Subsidy funding return	-	(7,536)
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Ministry of Training, Colleges and Universities - Ontario Education Championshipp Program
(Unaudited)

Year ended March 31, 2026, with comparative information for

		2026		2025
Revenue:				
Other grants	$	73,740	$	-
Expenses:				
Salaries and wages		19,476		-
Benefits		4,265		-
Travel		91		-
Technology		4,668		-
Building occupancy		1,145		-
Recreation		286		-
Utilities and telephone		679		-
Client personal needs		11,150		-
Repairs and maintenance		1,118		-
Promotion and publicity		1,092		-
Miscellaneous		13,740		-
Program expenses		3,650		
Education		7,380		-
		68,740		-
Excess of revenue over expenses before the undernoted		5,000		-
Allocation of central administration		(5,000)		-
Excess of revenue over expenses	$	-	$	-

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Dave Thomas Foundation - Wendys' Wonderful Kids
(Unaudited)

Year ended March 31, 2026, with comparative information for

	2026	2025
Revenue:		
Other grants	$ 95,000	$ 80,096
	95,000	80,096
Expenses:		
Salaries and wages	67,165	60,088
Benefits	17,211	13,112
Travel	7,846	4,996
Technology	241	450
Office administration	48	150
Client personal needs	2,489	-
	95,000	78,796
Excess of revenue over expenses before the undernoted	-	1,300
Allocation of central administration	-	(1,300)
Subsidy funding return	-	(1,895)
Excess of revenue over expenses	$ -	$ (1,895)

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Ministry of Children, Community and Social Services - Minor Capital
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Provincial grants - Operating	$ 6,705	$ -
Expenses:		
Repairs and maintenance	6,705	-
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Other - Mothers in Mind
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Other grants	$ 223,510	$ 302,510
Expenses:		
Salaries and wages	170,150	247,604
Benefits	32,682	40,606
Travel	2,537	2,345
Training and recruitment	600	807
Client personal needs	2,669	4,771
Miscellaneous	-	6,377
	208,638	302,510
Excess of revenue over expenses before the undernoted	14,872	-
Allocation of central administration	(14,872)	-
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Other - Big Steps for Success
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Other grants	$ 44,100	$ 1,004
Expenses:		
Salaries and wages	30,077	-
Benefits	9,023	-
Building occupancy	1,533	-
Office administration	-	579
Utilities and telephone	1,310	
Client personal needs	-	425
Repairs and maintenance	2,157	
	44,100	1,004
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Other - E.C.M. Kehoe - Home
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Revenue:		
Others	$ 7,035	$ -
Expenses:		
Technology	5,335	-
Utilities and telephone	254	-
Client personal needs	224	-
Repairs and maintenance	1,222	-
	7,035	-
Excess of revenue over expenses	$ -	$ -

THE CHILDREN'S AID SOCIETY OF THE DISTRICT OF NIPISSING AND PARRY SOUND

Schedule of Program Revenue and Expenses
Other - Joy Project
(Unaudited)

Year ended March 31, 2026, with comparative information for 2025

		2026		2025
Revenue:				
Donations	$	30,859	$	5,264
Expenses:				
Office administration		32		-
Recreation		257		
Client personal needs		27,035		5,264
Promotion and publicity		3,218		-
Miscellaneous		317		-
		30,859		5,264
Excess of revenue over expenses	$	-	$	-